

STATE ASSESSORS BOARD
ANNUAL REPORT
August 2005-August 2006
As presented by Lisa Hobart on August 7, 2006

The State Assessors Board was very pleased to welcome a new board member representing the State Tax Commission-**Frederick Morgan, CMAE 4**

Our other members are Mr. Henry Allen, Chairman and representing colleges and universities; Ms. Maxine McClelland, representing Townships and Mr. Raman Patel, representing County Equalization. I am Lisa Hobart, Vice-Chair, representing Michigan Assessors.

The State Assessors Board provides representation at all Michigan Association of Equalization Directors meetings and all **Michigan Assessors Association Meetings**.

Judy Nelson (St. Joseph Equalization Director), Ann Grady (Oakland County Equalization Department) and Michael Woolford (Monroe County Equalization Director) were approved for **Level 4 certification in assessment administration**.

The State Assessors Board met with the Licensing Director of the Department of Labor and Economic Growth to gather information for the purpose of improving upon the assessor certification examination system. It was decided that all **examinations would be re-written** and to start a process in which a test-taker will take the examination at a computer station.

Several **new narrative appraisal graders** have been appointed and a narrative grader's training workshop was held in the month of July 2006.

An **independent appeal process** was established in which an out-of-state independent appraisal reviewer will be made available to review narrative appraisals in which the appraisal report writer believes that their narrative appraisal failed but should have passed. The appraisal reviewer will make a recommendation to the State Assessors Board about the grading.

A review of the **Open Meetings Act and The Freedom of Information Act** resulted in determining that:

1. Examinations and grading of examinations will take place in closed meetings.
2. Narrative appraisal reports are examinations and should be discussed in closed meeting.
3. Persons allowed to attend closed meetings are those persons necessary to making a decision being deliberated in the closed meeting.
4. Discussions of revocations will take place in closed meetings to allow a person the right to a fair or impartial administrative adjudication.
5. Minutes of closed meetings are to be retained by the State Assessors Board for a period of 1 year and 1 day.

The State Assessors Board Education Committee has been busy all year updating assessor educational renewal programs and home study programs available for level 3 and level 4 education and certification. The **SAB Education Committee** will be meeting later today at this educational conference. We extend our thanks to the committee for their hard work and dedication.

A committee was formed and was named the **Demonstration Narrative Appraisal Report Writing Committee**. 5 demonstration Narrative Appraisal Writing workshops were written by the committee members to cover training in writing a complete narrative appraisal. The 5 workshops were offered in Lansing and 80 attendees signed-up and attended the workshops. After testing the workshops consisting of 15 hours of educational material complete with handouts for the students, the workshops were given to the Michigan Assessors Association to use in their schools. Assessing officers wanting to acquire level 4 assessor certification will be required to attend the 15-hour training program before submitting a subject property to the State Assessors Board for review.

Another new committee was formed and named the **Test Committee**. The Test Committee will be meeting here at this educational conference tomorrow. The Committee has reviewed 400 new test questions written for the assessor certification examinations. The goal is to replace all examinations with new questions that have been written by staff and reviewed by the test committee before being put into the examinations. The process of purchasing a computer, software, scanner and printer that will computerize all examinations has been put into place. The computer will randomly choose questions for each exam, the test taker will be administered the exam at the computer, the computer will print a pass fail letter along with an analysis of each examination taken. Tests taken at a remote location will be scanned into the system to provide the same service for exams taken off site. The Test Committee will be reviewing the “Open-Book Exercise questions at their meeting tomorrow. We extend our sincere appreciation to those involved with the test committee.

A new committee was formed and named the **Assessment Administration Compliance Committee**-the purpose of the committee is to examine and oversee compliance with good

assessment practices and needed training to bring about compliance with good assessment practices throughout the state. The Assessment Administration Compliance Committee and the State Assessors Board have written an Open-Book Exercise that will be sent to every assessing officer. Assessing officers will be asked to answer assessment administration questions contained in the Open-Book Exercise for the purpose of determining what education is needed in various sections of the state so that the State Assessors Board can provide for particular educational programs where they are needed.

Through the use of our knowledgeable volunteers, the SAB has been able to accomplish many significant items. Please stand if you are a member of the Education Committee, the Narrative Appraisal Report Writing Committee, or the Test Committee. Our thank you to each of you.

We also extend our thank you to our graders, although we ask you not to stand.

Next, we would like to thank Joan Peoples, Executive Secretary to the SAB. She holds one of the most difficult and under-appreciated positions in Assessment Administration.

Uniform Standards of Professional Appraisal Practice (**USPAP**) is a Federal Government training course for appraisers and assessors. It is a 5-year required educational course for all certified assessing officers. This 5-year period is ending for all certified assessing officers on September 30, 2006. The SAB just approved an extension that will permit anyone taking the course at the MAA schools offered this fall to receive the credit needed.

The State Assessors Board has certified many individuals this past year at various certification levels. Currently there are:

644 Level 1
965 Level 2
880 Level 3
152 Level 4

2,661 Total

Additionally, the SAB has received and reviewed many **revocations** filed with them this year. Many are dismissed because the SAB does not have jurisdiction, such as valuation disputes. Other issues may require an investigation. Pending the results of the investigation the Assessor may be required to attend an educational program, face suspension or in cases of serious malfeasance, misfeasance, or nonfeasance, face revocation.

A new policy has been adopted that results in a copy of any revocation **petition** filed against any assessing officer being mailed to the Assessor named in the petition as soon as the revocation petition is received by staff in the office. The SAB feels that it is important to keep the Assessor apprised that an investigation of the allegations and assessment practices is being investigated.

Most recently, at the direction of Fred Morgan, STC Member a committee was formed to review the situation of the two personal property exams. As a member of the committee, I can report that we review the SAB and STC exams, along with the PP Homestudy and the PP Classroom textbook. Kelli and I believe that the materials were substantially consistent. Therefore, I have asked Ms. Sobel to place the issue on the STC agenda for their August 29th meeting. We are hopeful to have the exams combined before the class offering in Novi in September.

Thank you for opportunity to speak today and the Board will be happy to respond to any questions that you may have.